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Note: Correction highlighted in red below

**Governor Bryan Calls 33rd Legislature Into Special Session
To Consider Landmark Amendment to Cannabis Law**
Amendment Would Generate Revenue to Address GERS Financial Crisis

ST. CROIX, U.S. VIRGIN ISLANDS—Governor Albert Bryan Jr. announced Tuesday that he is calling the 33rd Legislature into Special Session to consider an amendment to the Virgin Islands Medicinal Cannabis Patient Care Act that has the potential to significantly address the looming financial crisis of the Government Employees' Retirement System.

The act signed into law by Governor Bryan earlier this year establishes guidelines for regulated use and the licensing of dispensaries throughout the territory.

The existing cannabis law will not generate enough tax revenues to establish or regulate the program, Governor Bryan said during a press conference Tuesday at Government House on St. Croix. Sales taxes are not typically collected on traditional medical-only purchases and the Territory's medical market remains small.

The Special Session to consider the amendment is scheduled for December 18.

The amendment seeks to improve the existing law by providing more regulatory controls and enabling the generation of larger tax and fee revenues. Those revenues would be used to help stabilize the GERS which is defunct “to the tune of \$2.82 billion by some estimates” and other estimates by \$4.74 billion, Governor Bryan said.

“The reality is that we must take action,” Governor Bryan said. “We are at a time in our history when we can no longer kick the can down the road. We are proposing an amendment to this law in order to bring forth a catalyst of events that would allow us to collect more revenues from this new revolution that is taking the nation by storm.”

“This amendment actually creates a regulated system under the Office of Cannabis Regulation, it enables sales to tourists and increases tax revenues to the Government of the Virgin Islands,” Governor Bryan said.

Seventy-five percent of the revenues generated as a result of this act will be dedicated to the GERS, five percent will be dedicated to senior citizen services and 20 percent will be dedicated to the running of the regulatory system around the legalization of medicinal cannabis.

“We expect to see at least, at its peak, \$20 million generated” annually, the governor said.

The Amendment seeks to provide for controlled cultivation, manufacture, production and sale of cannabis products, and for a controlled environment for consumption of cannabis and cannabis products by persons over the age of 21. It recognizes the use of cannabis for cultural and sacramental uses and enables business ownership and financial opportunities for local Virgin Islanders.

As written, the amendment ensures a strong regulatory structure. In addition to the Office of Cannabis Regulation and the Cannabis Board, the legislation establishes requirements to prevent fraud and enhance transparency, for digital tracking of seed-to-sale, for testing for toxins by an independent agency, for licensing and includes strict penalties for cannabis production outside of designated areas.

The amendment also includes air filtration system requirements and sets up regulations for advertising and placement of facility at certain distances from houses of worship, schools, and cruise ship docks.

Under the amendment, criminal records of individuals incarcerated for possession of less than a pound of cannabis will be automatically expunged. However, the amendment does not seek to legalize cannabis for general use and existing laws that speak to possession or sale of cannabis remain in effect.

Governor Bryan noted that finding a solution to the GERS unfunded liability topped his platform during his **2018** run for governor. He promised to salvage and make solvent the GERS from retirees and those vested in the system.

The Administration continues to consider other options to support the GERS, including revenues from online gaming, the rum cover over through the Caribbean Basin Agreement and a gasoline tax. Discussions are also ongoing on developing a hybrid retirement plan for new employees and potentially revising the current benefits package.

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